

CITY OF SAN ANTONIO CATALOG OF INCENTIVES



Promoting Development in San Antonio

I **SCORECARD**
INCENTIVE SCORECARD SYSTEM

City of San Antonio

Development Incentive Toolkit Inventory

Incentive Title:

Reduction or Waiver of License Fees For Use of Public Right of Way *

Incentive Type:

- ☒ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

Description:

City Council has established fees for each non-pipeline use of Public Right of Way at the greater of five thousand dollars (\$5,000.00), or ten percent (10%) per year of the average of Bexar County Appraisal District assessed values in the vicinity for surface rights, seven and one-half percent (7.5%) per year of the average of Bexar County Appraisal District assessed values in the vicinity for air rights or five percent (5%) per year of the average of Bexar County Appraisal District assessed values in the vicinity for sub-surface rights. Staff is authorized to negotiate the license fee for any pipeline in Public Right of Way. Applicant must submit a petition, including a non-refundable processing fee of \$500.00, for a license to use Public Right of Way and be recommended for approval by staff.

Eligibility Criteria:

Staff may recommend to City Council the reduction or waiver of the license fee if the petitioner requests to 1) use sub-surface space under a Public Right of Way for an existing basement or utility vault; 2) make improvements specifically beneficial to the public; or 3) preserve, protect, or enhance historically, culturally, architecturally, or archaeologically significant sites or structures, on a case by case basis.

The following incentives are authorized:

- 25% reduction in license fees for Project Scorecard score between 60 and 69.
- 50% reduction in license fees for Project Scorecard score between 70 and 79.
- 75% reduction in license fees for Project Scorecard score between 80 and 89.
- 100% waiver of license fees for Project Scorecard score of 90 or greater.

Applicant must also submit a Development Incentive Application and Project Scorecard to be eligible for authorized fee incentives.

Contact Information:

City of San Antonio, Department of Asset Management, Property Disposition Division, (210) 207-6971.

City of San Antonio

Development Incentive Toolkit Inventory

Incentive Title:

Reduction or Waiver of Consideration for Closure of Public Right of Way *

Incentive Type:

- ☒ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

Description:

City staff shall calculate a fee (“consideration”) for such closure and Petitioner(s) shall remit payment of the consideration for the closure based on an average of Bexar County Appraisal District assessed values of property in the vicinity of the proposed closure. The average of Bexar County Appraisal District assessed values will be reduced by twenty-five percent (25%) when the Public Right of Way sought to be closed cannot be used independently under Chapter 35 of the City Code of the City of San Antonio, Texas or utility easements are retained. Developer must submit a petition, including a non-refundable processing fee of \$500.00, to close, vacate and abandon Public Right of Way and be recommended for approval by staff.

Eligibility Criteria:

Staff may recommend to City Council the reduction or waiver of the consideration for closure if 1) any petitioner originally granted the subject Public Right of Way at no cost, e.g. by dedication through plat or other instrument, to the City; or 2) the calculated consideration for closure does not accurately reflect the value of the Public Right of Way proposed to be closed, vacated and abandoned, on a case by case basis.

The following incentives are authorized:

- Additional 25% reduction in consideration for Project Scorecard score between 60 and 69.
- Additional 50% reduction in consideration for Project Scorecard score between 70 and 79.
- Additional 75% reduction in consideration for Project Scorecard score between 80 and 89.
- 100% waiver of consideration for Project Scorecard score of 90 or greater.

Applicant must also submit a Development Incentive Application and Project Scorecard to be eligible for authorized fee incentives.

Contact Information:

City of San Antonio, Department of Asset Management, Property Disposition Division, (210) 207-6971.

City of San Antonio

Development Incentive Toolkit Inventory

Incentive Title:

Reduction of Barricade Permit Fee (R.O.W. Lane and Sidewalk Closure Fee) *

Incentive Type:

- ☒ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

Description:

The City of San Antonio charges a fee for the temporary closure of a lane of traffic or a portion of a sidewalk that is in the Public Right of Way for the purposes of construction. The fees are as follows:

Application Fee	\$20.00
Inspection Fee	\$20.00
Per Square Foot Fee	\$0.0525
Technology and Development Fee	6% of total fee

Eligibility Criteria:

Application for Barricade Permit Fee may be made through the City's Department of Public Works. The Police Department may require the presence of a peace officer during such closures. ***All reductions or waivers will be subject to time restrictions determined and imposed by the Department of Public Works.***

The following incentives are authorized for Non-Profit Organizations:

- 25% reduction of Per Square Foot Fee for Project Scorecard score between 60 and 69.
- 50% reduction of Per Square Foot Fee for Project Scorecard score between 70 and 79.
- 75% reduction of Per Square Foot Fee for Project Scorecard score between 80 and 89.
- 100% waiver of Per Square Foot Fee for Project Scorecard score of 90 or greater.

The following incentives are authorized for For-Profit Businesses/Corporations:

- 25% reduction of Per Square Foot Fee for Project Scorecard score between 60 and 79.
- 50% reduction of Per Square Foot Fee for Project Scorecard score of 80 or greater.

Applicant must also submit a Development Incentive Application and Project Scorecard to be eligible for authorized fee incentives.

Contact Information:

City of San Antonio, Department of Public Works, (210) 207-7755.

City of San Antonio

Development Incentive Toolkit Inventory

Incentive Title:

Reduction or Waiver of Temporary Street Closure Fee *

Incentive Type:

- ☒ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

Description:

The City of San Antonio charges a fee of \$75.00 per block, per day for Temporary Street Closure that would include barricading all lanes of traffic of a street. Such temporary closures are granted for events such as parades, block parties, fiestas, etc.

Eligibility Criteria:

Application for Temporary Street Closure Fee may be made through the City's Department of Public Works. The Police Department may require the presence of a peace officer during such closures. *All reductions or waivers will be subject to time restrictions determined and imposed by the Department of Public Works.*

The following incentives are authorized for Non-Profit Organizations:

- 25% reduction of Temp. Street Closure Fee for Project Scorecard score between 60 and 69.
- 50% reduction of Temp. Street Closure Fee for Project Scorecard score between 70 and 79.
- 75% reduction of Temp. Street Closure Fee for Project Scorecard score between 80 and 89.
- 100% waiver of Temp. Street Closure Fee for Project Scorecard score of 90 or greater.

The following incentives are authorized for For-Profit Businesses/Corporations:

- 25% reduction of Temp. Street Closure Fee for Project Scorecard score between 60 and 79.
- 50% reduction of Temp. Street Closure Fee for Project Scorecard score of 80 or greater.

Applicant must also submit a Development Incentive Application and Project Scorecard to be eligible for authorized fee incentives.

Contact Information:

City of San Antonio, Department of Public Works, (210) 207-7755.

City of San Antonio

Development Incentive Toolkit Inventory

Incentive Title:

Waiver of Preliminary Review Fees *

Incentive Type:

- ☒ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

Description:

The Department of Development Services staff are available to meet with developers to provide a preliminary review of their proposed plans and provide insight on continuing design, possible inconsistencies and make suggestions on methods to possibly streamline review and approval of plans. The established fee for such meetings is \$75.00 per hour, per development service subject matter staff expert.

Eligibility Criteria:

Application for Preliminary Review may be made through the City's Department of Development Services. The City of San Antonio is offering 100% waiver of these fees in an effort to promote the efficient development of projects that qualify for incentives.

The following incentive is authorized:

- 100% waiver of Preliminary Review Fees for Project Scorecard score greater than 60.

Applicant must also submit a Development Incentive Application and Project Scorecard to be eligible for authorized incentives.

Contact Information:

City of San Antonio, Department of Development Services, (210) 207-7776.

City of San Antonio

Development Incentive Toolkit Inventory

Incentive Title:

Rebate or Waiver of Water and Sewer Impact Fees

Incentive Type:

- ☒ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

Description:

The Water and Sewer Impact Fees are one-time fees imposed by the San Antonio Water System on new development to help recover capital costs associated with providing the infrastructure and other required improvements to provide service to that new development. Ordinance No. 93883 (5/3/01) authorized the following impact fees to be effective on May 14, 2001: a) water impact fee; b) water supply impact fee (new fee); c) local benefit water impact fee; and d) sewer impact fee.

Eligibility Criteria:

The authorizing ordinance also provided for the rebate or waiver of Water and Sewer Impact Fees related to the City's expressed revitalization goals published in the CRAG Reports according to criteria developed and approved by the Housing Task Force, now known as the City Council Urban Affairs Committee. Staff may recommend to the Urban Affairs Council Committee a rebate for for-profit developers, or a waiver for non-profit developers, of Water and Sewer Impact Fees associated with residential housing projects.

Contact Information:

City of San Antonio, Department of Housing & Community Development, (210) 207-5485.

City of San Antonio

Development Incentive Toolkit Inventory

Incentive Title:

Federal Empowerment Zone Tax Incentive Loans

Incentive Type:

- ☐ Fee Incentives
- ☒ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

Description:

San Antonio was one of seven cities throughout the country named a Round III Empowerment Zone by the U.S. Department of Housing and Urban Development. This designation will allow businesses to receive wage credits, tax incentives, and bond financing to help stimulate job growth, promote economic development and create affordable housing opportunities in targeted areas of the City. In addition, Empowerment Zone designation provides the City priority in funding health, education, and human services, which will support commercial and neighborhood revitalization efforts.

The basic designated area of the San Antonio Empowerment Zone is bordered by the MK&T Railroad Tracks on the East, Florida Street on the South, Calle Romero on the West and Culebra Road on the North. It also includes three primary Developable Sites which are: (1) the KellyUSA and Brooks Technology and Business Park Developable Site located in the southern sector of San Antonio connected by Military Drive commercial corridor; (2) the Fredericksburg Road Commercial Corridor; and (3) the I-10/I-35 Commercial and Industrial Corridor (map on p. 21).

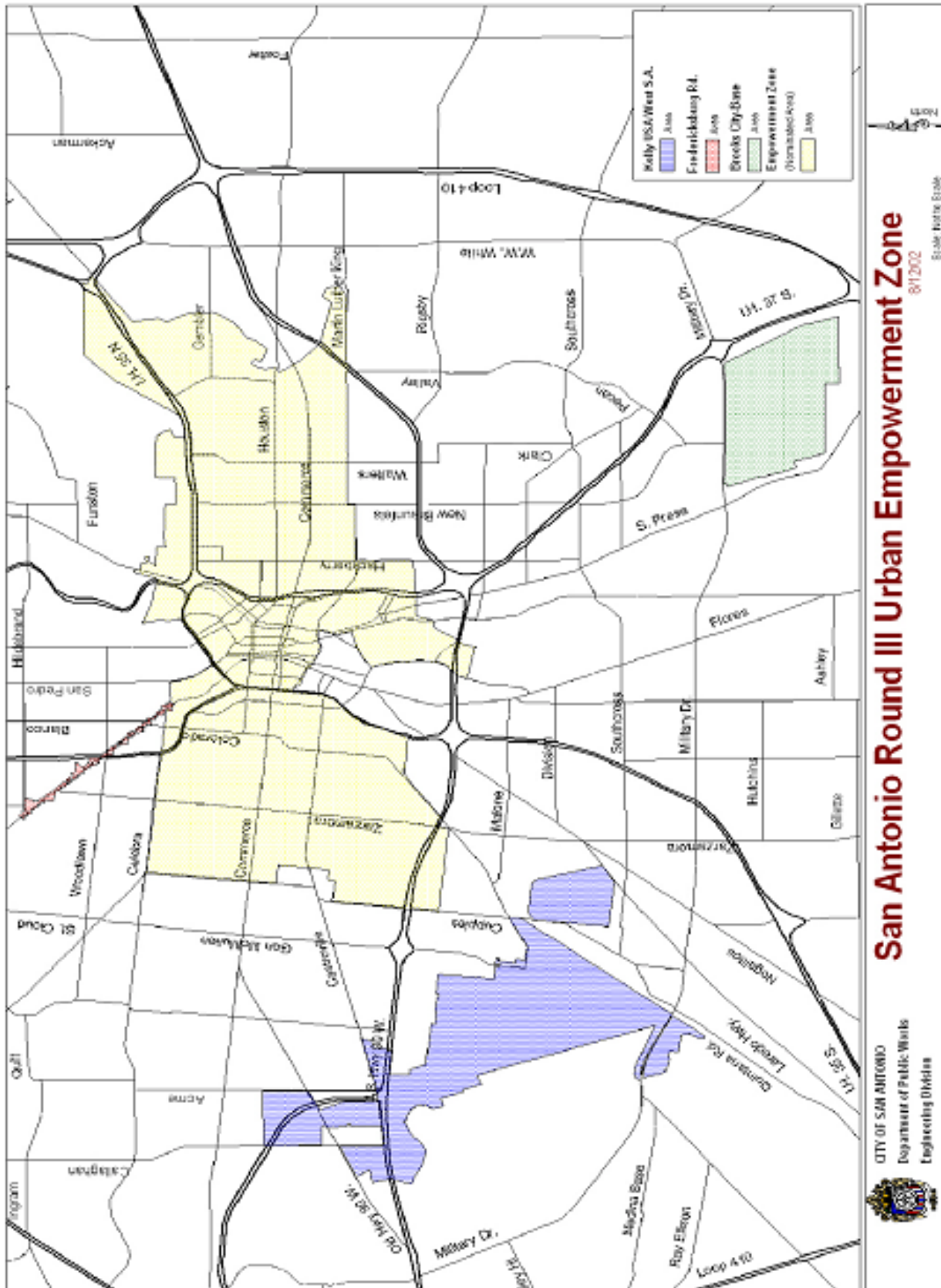
Program Eligibility Criteria:

To be eligible for Empowerment Zone program benefits, such as Tax Incentive Loans, a business must locate in an Empowerment Zone and meet certain minimum capital investment and/or job creation requirements. The property financed by the loan must be a "qualified zone property" loan. In addition, 35% of employees must be live within the Empowerment Zone.

Contact Information:

City of San Antonio, Economic Development Department, Industry Development Division, (210) 207-6020.

City of San Antonio Development Incentive Toolkit Inventory



City of San Antonio

Development Incentive Toolkit Inventory

Incentive Title:

State Enterprise Zone Program Tax-Exempt Bond Financing

Incentive Type:

- ☐ Fee Incentives
- ☒ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

Description

Tax-exempt Enterprise Zone Facility bonds generally have a lower interest rate than conventional financing. To qualify, 95% or more of the net proceeds of the bond issue must be used to finance qualified zone property where the principal user is an EZ business. Maximum bond financing is \$3 million per business across zones, subject to State volume caps. Allows for below market financing to promote facility development or multi-family affordable rental housing.

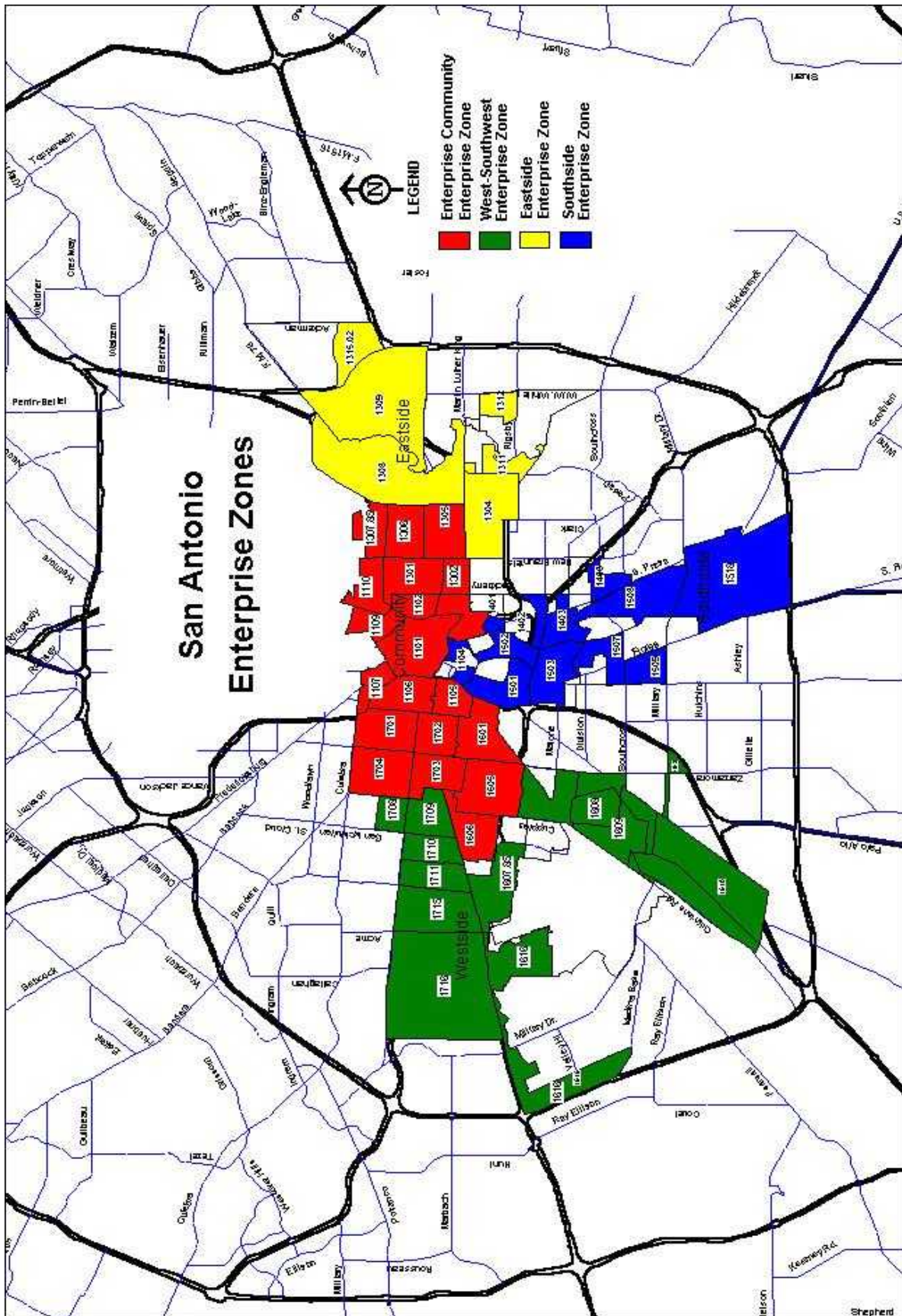
Eligibility Criteria:

To qualify, expansion of an existing business must take place within an existing Enterprise Zone (map on p. 23). Also, 25% of all new hires must be economically disadvantaged or residents of the zone. Project designation must be in place within 90 days of any purchases or new hires to receive benefits from this program. Enterprise Project designation must be approved by City Council and designated by the State of Texas. Federal Empowerment Zones also qualify as State Enterprise Zones.

Contact Information:

City of San Antonio, Economic Development Department, (210) 207-8080.

City of San Antonio Development Incentive Toolkit Inventory



City of San Antonio

Development Incentive Toolkit Inventory

Incentive Title:

Brownfield Economic Development Initiatives (BEDI)

Incentive Type:

- ☐ Fee Incentives
- ☒ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

Description:

BEDI grants target Economic Development Initiative funds, made available from the HUD Financial Management Division, to Brownfield projects. BEDI grants are made to local governments for use in supporting Brownfield redevelopment activities and projects financed in whole or in part with Section 108 Loan Guarantees. Brownfield cleanup and redevelopment, BEDI provides important "start-up" funds to attract private financing.

Eligibility Criteria:

BEDI primarily benefits low-income residents in and around Brownfields. Under guidelines for the programs comprising BEDI, grantees must use at least 70 percent of funds for activities in which either the majority of the individuals who benefit or the majority of the residents of the neighborhood that benefit be low or moderate income.

Contact Information:

HUD Financial Management Division, Office of Block Grant Assistance, (202) 708-1871.

City of San Antonio

Development Incentive Toolkit Inventory

Incentive Title:

Section 108 Loan Guarantee

Incentive Type:

- ☐ Fee Incentives
- ☒ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

Description:

HUD guarantees notes issued by units of general local government. Funds finance economic revitalization and development activities that include housing and rehabilitation of privately owned buildings for residential purposes; expansion of for-profit businesses; financing and rehabilitation of low-income and public housing; acquisition, construction, or rehabilitation of neighborhood and community facilities; site improvements on community-owned land leased to a developer for a commercial or industrial project; site development; purchase of land or buildings for economic development; and infrastructure development that includes street reconstruction and/or sewer system repairs. Section 108 loans are not risk-free, however; local governments borrowing funds guaranteed by Section 108 must pledge their current and future CDBG allocations to cover the loan amount as security for the loan.

It allows them to transform a small portion of their CDBG funds into federally guaranteed loans large enough to pursue physical and economic revitalization projects that can renew entire neighborhoods. Such public investment is often needed to inspire private economic activity, providing the initial resources or simply the confidence that private firms and individuals may need to invest in distressed areas.

Eligibility Criteria:

Eligible applicants include the following public entities:

- metropolitan cities and urban counties (i.e. CDBG entitlement recipients);
- nonentitlement communities that are assisted in the submission of applications by States that administer the CDBG program; and
- nonentitlement communities eligible to receive CDBG funds under the HUD-Administered Small Cities CDBG program (Hawaii).

The public entity may be the borrower or it may designate a public agency as the borrower.

Activities eligible for Section 108 financing include:

- economic development activities eligible under CDBG;
- acquisition of real property;
- rehabilitation of publicly owned real property;
- housing rehabilitation eligible under CDBG;
- construction, reconstruction, or installation of public facilities (including street, sidewalk, and other site improvements);
- related relocation, clearance, and site improvements;

City of San Antonio Development Incentive Toolkit Inventory

- payment of interest on the guaranteed loan and issuance costs of public offerings;
- debt service reserves;
- public works and site improvements in colonias; or
- in limited circumstances, housing construction as part of community economic development, Housing Development Grant, or Nehemiah Housing Opportunity Grant programs.

For purposes of determining eligibility, the CDBG rules and requirements apply. As with the CDBG program, all projects and activities must either principally benefit low and moderate income persons, aid in the elimination or prevention of slums and blight, or meet urgent needs of the community.

Contact Information:

City of San Antonio, Office of Housing and Community Development, (210) 207-6600.

City of San Antonio

Development Incentive Toolkit Inventory

Incentive Title:

Tax Increment Financing (TIF) and Tax Increment Reinvestment Zone (TIRZ)

Incentive Type:

- ☐ Fee Incentives
- ☒ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

Description:

The City of San Antonio is dedicated to the revitalization of inner-city neighborhoods and commercial districts, particularly in those areas located inside Loop 410 and south of Highway 90, by using a tiered system of incentive tools, such as Tax Increment Financing (TIF). A TIF project should act as an economic stimulus to the surrounding areas. By leveraging private investment for certain types of development within a targeted area, TIF can be a tool used to assist in financing needed public improvements and enhancing infrastructure. An Application for Redevelopment will be made available in order to consider a suitable incentive package comprised of one or more incentive tools of which TIF may be included for a proposed revitalization project.

Program Eligibility Criteria:

Eligible types of development:

- Type A: Residential development projects. For either single-family and/or multi-family residential uses.
- Type B: Business parks for Targeted Industries. New construction or renovation of offices with at least 50% of space pre-leased.
- Type C: Office development. New construction or renovation of offices with at least 50% of office space pre-leased.
- Type D: Retail/Commercial development. New construction or renovation of offices with at least 50% of space pre-leased.

A staff review committee will evaluate each proposed project on a case-by-case basis, including targeted areas and consideration of possible impacts. If applicable, a staff review committee will then evaluate each application submitted by a prospective developer.

No projects will be considered or accepted for a TIF where all or part of the proposed project falls over the Edwards Aquifer Recharge Zone.

Contact Information:

City of San Antonio, Neighborhood Action Department, (210) 207-3911.

City of San Antonio

Development Incentive Toolkit Inventory

Incentive Title:

Industrial Development Authority (IDA) Bonds

Incentive Type:

- ☐ Fee Incentives
- ☒ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

Description:

Industrial Development Bonds are available through the City of San Antonio Industrial Development Authority (IDA) to promote industrial development. IDA bonds are tax-exempt revenue bonds that can be issued for new construction, building improvements, and for purchase of machinery and equipment. Bonds carry an attractive interest rate of 60% to 80% of the prime rate.

Also available through the IDA are taxable industrial development bonds. Taxable bonds have fewer project limitations than do tax-exempt bonds, and can be used for larger dollar projects. Interest rates will be in line with conventional financing and will vary, as in any financing, in accordance with the current markets, financial strength and term of bonds.

Eligibility Criteria:

Bonds are available for industrial and manufacturing facilities located within the City of San Antonio and its Extra Territorial Jurisdiction (ETJ). Bonds are available for projects with total costs of up to \$10 million. Bonds are subject to an annual state allocation.

Contact Information:

City of San Antonio, Economic Development Department, (210) 207-8080.

City of San Antonio

Development Incentive Toolkit Inventory

Incentive Title:

Neighborhood Commercial Revitalization (NCR) Program

Incentive Type:

- ☐ Fee Incentives
- ☒ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

Description:

The Neighborhood Commercial Revitalization (NCR) Program offers community-based nonprofit organizations, who can demonstrate the capacity to organize and sustain a full time economic development program, financial support to conduct revitalization efforts in a targeted commercial district. Organizations and designated commercial districts selected as Revitalization Projects have received \$370,000 in funding over a six-year period to develop and implement a commercial revitalization plan. Funding for Revitalization Projects allows organizations to hire a full-time, professional Revitalization Coordinator to facilitate the work of a Board of Directors and volunteers. The Revitalization Coordinator offices in the commercial district and funding also provides for office space, printing and publications, supplies and other approved items.

The volunteers, board and staff of the Revitalization Projects offer the following types of support to the businesses located in the NCR area:

- Promotion and marketing for the entire business district
- Assistance to existing and prospective business owners in areas such as zoning, code compliance, police protection and promotes
- A central resource for information about Enterprise Community/ Strategic Planning Community incentives, Texas Enterprise Zone Program incentives, San Antonio Local Development Company loans, tax phase-in and tax increment financing assistance, and other incentives, as appropriate
- Working with City leaders to identify and fund infrastructure improvements (such as drainage, streets, sidewalks, curbs, etc.) necessary to support and sustain increased growth and expansion

In addition to technical assistance businesses located in a Revitalization Project area are eligible for Operation Facelift grants. Operation Facelift is a tool to assist small businesses in creating noticeable and significant improvements to their storefronts. Operation Facelift will fund facade improvement projects such as restoring old signs and canopies, repairing broken windows and painting on a reimbursement basis. The total maximum award to any one building is \$15,000 and must be matched dollar for dollar with private investment.

Eligibility Criteria:

In order to apply for Revitalization Project grant an organization must first be accepted into the NCR Program as a Partnership Project area. As a Partnership Projects, community groups

City of San Antonio Development Incentive Toolkit Inventory

receive \$5,000 over a three-year period to build the necessary organizational capacity and prepare themselves to launch a full-time revitalization effort. During the Partnership Project phase volunteers may undertake the following activities:

- identify key stakeholders and soliciting participation;
- develop a building inventory;
- set up a Board and working committees;
- identify partners and stakeholder;
- begin to assess the problems of the target area; and
- formulate an approach for stimulating positive change.

Contact Information:

City of San Antonio, Neighborhood Action Department, (210) 207-3926.

City of San Antonio

Development Incentive Toolkit Inventory

Incentive Title:

San Antonio Local Development Company, Inc. (SALDC) Loan Programs

Incentive Type:

- ☐ Fee Incentives
- ☒ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

Description:

The San Antonio Local Development Company, Inc. (SALDC) was established in 1978 to assist small to medium sized businesses in South Central Texas realize business growth and job creation by facilitating access to a diverse package of intermediate and long-term loans for real estate acquisition, construction or capital improvements, machinery and equipment, working capital, and related soft costs such as appraisals, engineering and environmental fees.

SALDC loans are also available for small-to-medium sized businesses and carry interest rates below market rates. Long-term financing is available for both loans and bonds. Examples include:

- Small Business Association (SBA) 504 Loan and Microloan Programs
- Economic Development Administration (EDA) Revolving Loan Fund (RLF)
- Inner City Loan Program
- HUD-Enterprise Community Loan Program

Eligibility Criteria:

Owner-operated, for-profit businesses, located or to be located within the Alamo Service Delivery Area (Bexar County and the surrounding 11 counties). SALDC loans, with a maximum amount of \$1.3 million, can be made to companies with a net worth of up to \$6 million and net income of up to \$2 million.

Contact Information:

City of San Antonio, Economic Development Department, (210) 207-3932.

City of San Antonio

Development Incentive Toolkit Inventory

Incentive Title:

Downtown Housing Development Loan Program

Incentive Type:

- ☐ Fee Incentives
- ☒ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

Description:

To encourage the development and redevelopment of residential property in the Central Business District. To attract residential development and increase the tax base by encouraging the development of market rate housing units.

Eligibility Criteria:

- Program must be located within the Central Business District.
- Property must be residential. Mixed used properties are eligible, but loan proceeds will only apply to residential portion.
- For high-density units, not more than 30% of the units can be affordable.
- For new construction projects, this program can only finance soft costs and/or infrastructure improvements.
- For rehabilitation and/or adoptive re-use, this program can finance actual soft costs and building construction costs.
- A minimum of \$10,000 and a maximum of \$100,000 will be available for each project.
- A standard interest rate of 0% (zero) will be charged for each loan.
- The loan may be subordinate to one superior lien.
- Loan repayment can be deferred for up to 5 years, if supported by pro-forma.
- Loan must be repaid in full within 15 years.
- All loans must result in a completed residential unit(s) ready for occupancy.
- Applications will be reviewed by the Department of Housing & Community Development through the Incentive Toolkit process.

Contact Information:

City of San Antonio, Housing & Community Development, (210) 207-6606.

City of San Antonio

Development Incentive Toolkit Inventory

Incentive Title:

Historic Façade Loan Program

Incentive Type:

- ☐ Fee Incentives
- ☒ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

Description:

To provide incentives for the redevelopment of historic properties, by providing very low interest financing for Historic Façade Improvements.

Eligibility Criteria:

- Property must be located in City Council District 1.
- The property must be recognized as a Historic by the City Historic Preservation Officer.
- Historic Façade work to be performed, must be approved by the City's Historic Design and Review Commission (HDRC).
- Historic Façade Improvements financed through this program must result in the total rehabilitation of the property.
- Minimum of \$5,000 and maximum of \$100,000 loan amount per project.
- A standard interest rate of 2% will be charged for each loan.
- The principal and interest accrual can be deferred for up to 5 years, if supported by pro-forma.
- The loan can be subordinated to one superior lien (no lower than a second lien position will be accepted).
- Loan terms will not exceed 15 years (including deferral period).
- Application will be reviewed by the Department Housing & Community Development through the Incentive Toolkit process.
- Default and contract provisions, as approved by Asset Management.

Contact Information:

City of San Antonio, Housing & Community Development, (210) 207-6606.

City of San Antonio

Development Incentive Toolkit Inventory

Incentive Title:

Conservation Subdivision

Incentive Type:

- ☐ Fee Incentives
- ☐ Financing Incentive
- ☒ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

Description:

A Conservation Subdivision provides flexibility in site design in order to allow developers to preserve common open space and natural resources. The specific purposes of the conservation subdivision use pattern are to:

- protect the public health, safety and general welfare by avoiding surface and ground water pollution, contaminated runoff, air quality contamination, and urban heat islands which result from pavement and the clearing of natural vegetation;
- protect and preserve natural resources such as wetlands, streams, lakes, steep slopes, woodlands, and water recharge areas;
- reduce infrastructure and housing costs by reducing the engineering and construction costs produced by conventional subdivision design, which requires more pavement, wetland crossings, grading of trees and natural areas, and maintenance from lawn and landscaping maintenance;
- protect property values by allowing open space design features which enhance the marketability of development;
- provide design flexibility; and
- promote development on soils which are most suitable for urban densities, while preserving soils that are primarily adaptable to other uses such as woodlands, wildlife habitat, and agricultural uses.

Eligibility Criteria:

A Conservation Subdivision shall be processed in accordance with Chapter 2, 35-203, of the Unified Development Code and may be permitted in any Zoning District except D, I-1, I-2, MXD, or IDZ.

Contact Information:

City of San Antonio, Development Services Department, (210) 207-7900.

City of San Antonio

Development Incentive Toolkit Inventory

Incentive Title:

Commercial Retrofit

Incentive Type:

- ☐ Fee Incentives
- ☐ Financing Incentive
- ☒ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

Description:

The Commercial Retrofit Use Pattern encourages the redevelopment of existing shopping centers, big-box retail sites, and other sites characterized by large expanses of surface parking into a development pattern which is pedestrian friendly, compatible with surrounding development, provides a visually attractive site design, and which reduces reliance on the automobile for vehicular trips.

Eligibility Criteria:

A Conservation Subdivision shall be processed in accordance with Chapter 2, 35-206, of the Unified Development Code (UDC). In addition, a density bonus may be permitted to encourage such activities pursuant to § 35-360 of the UDC.

Contact Information:

City of San Antonio, Development Services Department, (210) 207-7900.

City of San Antonio

Development Incentive Toolkit Inventory

Incentive Title:

Traditional Neighborhood Development (TND)

Incentive Type:

- ☐ Fee Incentives
- ☐ Financing Incentive
- ☒ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

Description:

The Traditional Neighborhood Development (TND) option is designed to permit the development of land in a manner consistent with the historic and timeless principles of San Antonio's existing neighborhoods. A TND combines a variety of housing types with commercial and civic uses in a compact, walkable neighborhood setting. TNDs feature a highly interconnected street network and setbacks appropriate to create a public realm built on a human scale. A TND should be developed such that the street network recognizes and complements a site's topography and other natural features. A TND may not be appropriate where severe environmental constraints, such as steep slopes, wetlands, or streams preclude street interconnections and high impervious surface coverage (such as in the Edwards Recharge Zone District, "ERZD").

Eligibility Criteria:

A Conservation Subdivision shall be processed in accordance with Chapter 2, 35-207, of the Unified Development Code (UDC) and may be approved in any of the following zoning districts: "MXD", "O-1", "C-1", "C-2", "C-3", "NC", "MF-25", "MF-33", "MF-40", "MF-50", RM-4, RM-5, RM-6, "R-4", "R-5", or "R-6".

Contact Information:

City of San Antonio, Development Services Department, (210) 207-7900.

City of San Antonio

Development Incentive Toolkit Inventory

Incentive Title:

Transit-Oriented Development

Incentive Type:

- ☐ Fee Incentives
- ☐ Financing Incentive
- ☒ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

Description:

The Transit-Oriented Development zone encourages a mixture of residential, commercial, and employment opportunities within identified light rail station areas or other high capacity transit areas. The Use Pattern is intended to encourage a mixture of residential, commercial, and employment opportunities within transit corridors or areas served by transit. This district is intended to promote transit supportive development, ensure access to transit, and to limit conflicts between vehicles and pedestrians and transit operations. The zone allows for a more intense and efficient use of land at increased densities for the mutual re-enforcement of public investments and private development. Uses and development are regulated to create a more intense built-up environment, oriented to pedestrians, to provide a density and intensity that is transit supportive. The development standards of the zone also are designed to encourage a safe and pleasant pedestrian environment near transit stations by encouraging an intensive area of shops and activities, by encouraging amenities such as benches, kiosks, and outdoor cafes, and by limiting conflicts between vehicles and pedestrians. It is the intent of this Section that a TOD district be restricted to areas within one-half (½) of a mile of a transit station, which area is equivalent to a 10-minute walking distance.

Eligibility Criteria:

A Conservation Subdivision shall be processed in accordance with Chapter 2, 35-208, of the Unified Development Code (UDC).

Contact Information:

City of San Antonio, Development Services Department, (210) 207-7900.

City of San Antonio

Development Incentive Toolkit Inventory

Incentive Title:

Mixed-Use District

Incentive Type:

- ☐ Fee Incentives
- ☐ Financing Incentive
- ☒ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

Description:

Special Districts address unique situations. However, unlike Overlay Districts, Special Districts replace the standards and requirements of the Base Districts. In effect, they are a parallel Code and an alternative to proceeding under conventional zoning.

Mixed-Use Districts are special districts designed to provide concentrated residential, retail, service, office and mixed uses. This district does not regulate land uses but, instead, permits any use to be established subject to design standards established in the Use Patterns (Article 2). Urban design standards are required in order maintain a neighborhood commercial scale, to promote pedestrian activity, and to maintain the unique character of the center. Pedestrian circulation is required as are common parking areas.

Eligibility Criteria:

An MX District may be designated in accordance with Chapter 3, 35-341, of the Unified Development Code (UDC) for areas with 1) an existing mix of retail, office, service and residential uses located within a radius of one-quarter ($\frac{1}{4}$) of a mile; or 2) on a tract or parcel for which a TND Use Pattern is proposed.

Contact Information:

City of San Antonio, Development Services Department, (210) 207-7900.

City of San Antonio

Development Incentive Toolkit Inventory

Incentive Title:

Infill Development Zone (IDZ)

Incentive Type:

- ☐ Fee Incentives
- ☐ Financing Incentive
- ☒ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☐ Workforce Development/Business Advocacy

Description:

Special Districts address unique situations. However, unlike Overlay Districts, Special Districts replace the standards and requirements of the Base Districts. In effect, they are a parallel Code and an alternative to proceeding under conventional zoning.

Infill Development Zones are special districts designed to provide flexible standards for the development and reuse of underutilized parcels. Urban design standards are required in order to maintain a neighborhood commercial scale, to promote pedestrian activity, and to maintain the unique character of the center. Pedestrian circulation is required as are common parking areas. Any use may be permitted within an IDZ so long as it complies with the standards outlined in the UDC.

The purpose of this section is to encourage and facilitate development on vacant, bypassed lands, or the redevelopment of underutilized buildings or structures, within existing built-up areas. The specific purposes of this section are to:

- provide a more flexible approach to design and development of infill projects;
- use the objectives of Smart Growth as the basis for evaluating proposed infill projects;
- encourage infill development by simplifying procedures for plan approval and public involvement;
- encourage planning and design flexibility and innovations;
- create a community environment that is enhanced by a mix of residential, commercial, recreational, open space, employment and institutional uses;
- assure community compatibility through high standards of land planning, site and architectural design;
- encourage efficient use of land and public services; and
- ensure adequate public facilities and other community amenities by simplifying and streamlining the approval of private development activities in areas with existing public facilities and infrastructure.

Eligibility Criteria:

An MX District may be designated in accordance with Chapter 3, 35-343, of the Unified Development Code (UDC). An IDZ may be located within *Community Revitalization Action Group (CRAG)* target area as designated on the effective date of this Chapter, which area generally includes the territory located inside the corporate boundaries of the City as they existed in 1940. An IDZ may also be located in a Census Tract, an area subject to a Neighborhood Plan

City of San Antonio Development Incentive Toolkit Inventory

adopted pursuant to § 35-420 of this Chapter, or other area designated by the City Council pursuant to an ordinance establishing an IDZ zone, in which at least two (2) of the following factors are present:

- A. At least ten percent (10%) of the structures are abandoned; or
- B. At least ten percent (10%) of the platted lots are vacant; or
- C. At least ten percent (10%) of the lots or structures are subject to tax liens.

Contact Information:

City of San Antonio, Development Services Department, (210) 207-7900.

City of San Antonio

Development Incentive Toolkit Inventory

Incentive Title:

Tax Phase-In Program

Incentive Type:

- ☐ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☒ Tax Incentive
- ☐ Workforce Development/Business Advocacy

Description:

The City's Tax Phase-In Program is an economic development tool designed to 1) promote local business expansion; 2) attract new businesses to San Antonio in targeted industries; 3) encourage development in targeted areas of the community; create high-skill, high-wage job opportunities; and 5) assist the City in achieving its overall economic development strategy. Qualifying projects may qualify for an abatement of up to 100% of real and/or personal property taxes on improvement values may be granted for up to ten (10) years. Bexar County administers a similar incentive program, which requires a separate Tax Phase-In Application and agreement.

Eligibility Criteria:

In order to qualify, a project must meet certain minimum capital investment and/or job creation requirements, some of which are as follows:

- A project may be eligible for phase-in if the facility is used for manufacturing/assembly, research and development, information technology/high technology, regional distribution, regional tourist entertainment, aviation/aerospace, Central City mixed-use multi-family housing, telecommunications, corporate level headquarters, or for information/business services. Retail and wholesale facilities are not eligible for tax phase-in.
- Companies must pay a minimum wage of \$8.75/hr to 100% of all new permanent, full-time employees throughout the term of agreement. In addition, 70% of jobs created must meet a wage standard of \$11.15/hr for Durable Goods Manufacturing and \$9.86/hr for all Other Industry Categories.¹
- Individual Tax Phase-In applications are subject to City Council approval and must be submitted at least 30 days prior to the start of construction.
- Terms of abatement may extend up to 6 or 10 years, depending on where the investment takes place within the City.

The following matrix outlines the eligibility for Tax Phase-In for the different levels of job creation and capital investment across targeted and non-targeted industries:

City of San Antonio Development Incentive Toolkit Inventory

	Minimum Capital Invest. (in millions) ²		Minimum Job Creation ³	Minimum % New Jobs => Wage Standard	Max. Tax Phase- In Eligibility, %
Real Property Targeted Businesses	\$1.0	Or	26	70%	100%
Personal Property Targeted Businesses	\$10.0	And	50	70%	100%
Real Property Other Businesses	\$1.0	Or	26	70%	75% ⁴
Personal Property Other Businesses	\$30.0	And	100	70%	75%

1. Phase-in recipients are granted a skills development period of one year to ramp up to the wage standard. During the skills development period and throughout the period of the agreement, a company must also pay a minimum wage of \$8.75 an hour to 100% of all new permanent, full time employees.
2. Excluding acquisition costs and existing improvements.
3. New permanent, full-time jobs created and sustained in each year of tax phase-in.
4. An additional 25% of tax phase-in (up to the maximum of 100%) can be earned if the applicant fills 25% of new jobs created with economically disadvantaged individuals.

Contact Information:

City of San Antonio, Economic Development Department, (210) 207-8080.

City of San Antonio

Development Incentive Toolkit Inventory

Incentive Title:

Freeport Exemption

Incentive Type:

- ☐ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☒ Tax Incentive
- ☐ Workforce Development/Business Advocacy

Description:

The City of San Antonio, Bexar County and some independent school districts allow personal property tax exemptions for companies that deal with goods-in-transit or inventories used in the manufacturing process. Qualifying participants may qualify for an exemption of up to 100% of personal property taxes on goods-in-transit or inventories used in a manufacturing process and the inventory items are moved out of state within 175 days.

A Constitutional Amendment adopted in 1989 by the State of Texas authorized a type of property tax exemption for items classified as “Freeport Property.” Freeport property includes various types of goods that are detained in Texas for a short period of time (175 days or less). The exemption provides a business incentive that can be used to promote the growth and expansion of businesses, particularly those engaged in logistics and distribution activities.

- Freeport property, by definition, includes goods, wares, merchandise, and certain aircraft and aircraft parts.
- Freeport property does not include oil, natural gas, and other petroleum products.
- Freeport property qualifies for an exemption from *ad valorem* taxation only if it has been detained in the state for 175 days or less for the purpose of assembly, storage, manufacturing, processing, or fabricating.
- To receive the exemption, eligible inventory must be transported to destinations outside of Texas not later than 175 days after the date acquired or imported into Texas.

Some types of companies currently receiving Freeport tax exemptions include automakers, computer manufacturing, beverage producers, warehousing and distribution facilities, and medical supply companies.

Eligibility Criteria:

- Any company locating within Bexar County, which has goods in transit, is eligible for this incentive.
- The goods must be in Texas only for a limited purpose, such as for storage or factory processing.
- Taxable inventories must be moved outside of the State of Texas within 175 days.

Contact Information:

Bexar County Appraisal District (BCAD), Personal Property Department, (210) 242-2468.

City of San Antonio

Development Incentive Toolkit Inventory

Incentive Title:

Tax Relief for Historic Structures

Incentive Type:

- ☐ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☒ Tax Incentive
- ☐ Workforce Development/Business Advocacy

Description:

Historic buildings in need of tax relief to encourage preservation may be granted reductions in assessed value for ad valorem taxation.

Program Eligibility Criteria:

Structure must be a current landmark property registered with the City of San Antonio or a contributing property within a recognized historic district. Owner must demonstrate that improvements in excess of 10% of the current value will be made to the structure and that such improvements are meet historic preservation standards. Upon completion of proposed work applicant will return for certification by the Historic & Design Review Commission.

Commercial

A commercial property will have no assessed value for as valorem taxes for a period of five (5) tax years after verification. After this period, the property shall be reappraised at current market value and assessed at a fifty-percent (50%) rate for an additional five (5) years.

Residential

Homeowners in new historic districts receive a 20% tax exemption on the City portion of their property taxes, for ten (10) years, for owning and living home in the district. Long-time homeowners, those in continued residency during the initial ten (10) years of historic district status, will receive a five (5) year extension of the 20% tax exemption on the City portion of their property taxes. Rental property owners, if they renovate a property and lease at least 40% of the units to low/mod tenants, will pay zero taxes for the City portion of their property tax bill, for ten (10) years. Residential property owners, if they renovate their property, pay zero taxes on the City portion of their property tax bill for the first five (5) years, and 50% of taxes on the City portion for the second five (5) years.

Contact Information:

City of San Antonio, Planning Department, Historic Preservation Office, (210) 207-7900.

City of San Antonio

Development Incentive Toolkit Inventory

Incentive Title:

Federal Empowerment Zone Tax Credits

Incentive Type:

- ☐ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☒ Tax Incentive
- ☐ Workforce Development/Business Advocacy

Description:

San Antonio was one of seven cities throughout the country named a Round III Empowerment Zone by the U.S. Department of Housing and Urban Development. This designation will allow businesses to receive tax credits and bond financing to help stimulate job growth, promote economic development and create affordable housing opportunities in targeted areas of the City. In addition, Empowerment Zone designation provides the city priority in funding health, education, and human services to support commercial and neighborhood revitalization efforts.

The basic designated area of the San Antonio Empowerment Zone is bordered by the MK&T Railroad Tracks on the East, Florida Street on the South, Calle Romero on the West and Culebra Road on the North. It also includes three primary Developable Sites which are: (1) the KellyUSA and Brooks Technology and Business Park Developable Site located in the southern sector of San Antonio connected by Military Drive commercial corridor; (2) the Fredericksburg Road Commercial Corridor; and (3) the I-10/I-35 Commercial and Industrial Corridor (map on p. 21).

Program Eligibility Criteria:

To be eligible for Empowerment Zone program benefits, a business must locate in the Empowerment Zone and meet certain minimum capital investment and/or job creation requirements. The following tax credits are available:

Employment Zone Wage Credit

A business must be located in a Federal Empowerment Zone and hire/retain workers who live and work within the zone in order to receive an Employment Zone Wage Credit. Workers can be full-time or part-time with a substantial portion of work performed within the zone as part of the trade business. Employment Zone Wage Credit is a credit against federal taxes, and can be as much as \$3,000 (20% of the first \$15,000) per employee, per year.

Work Opportunity Tax Credit

A business must hire persons from certain disadvantaged groups with high unemployment rate (including urban youths, government assistance recipients, ex-convicts, disadvantaged Vietnam vets, and vocational rehabilitation referrals) in order to obtain a Work Opportunity Tax Credit. The Work Opportunity Tax Credit is for 40% of the first \$6,000 of each worker's first year wages (\$2,400 maximum credit) provided 400 or more hours are worked. If less than 400 hours, but at least 120 hours are worked, the wage percentage drops to 25% for a maximum of \$1,500.

City of San Antonio Development Incentive Toolkit Inventory

A maximum credit of 35% or \$1,050 is eligible for summer youth employees with wages of up to \$3000 during a 90-day period.

Welfare-To-Work Tax Credit

Employers must hire qualified long-term family assistance (AFDC or its successor program) recipients in order to qualify for the Welfare-To-Work Tax Credit. Welfare to Work Credit is equal to 35% for wages up to \$10,000 in the first year, and up to 50% for wages up to \$10,000 in the second year of employment, for a two-year maximum credit of \$8,500 per employee.

Contact Information:

City of San Antonio, Economic Development Department, Industry Development Division, (210) 207-6020.

City of San Antonio

Development Incentive Toolkit Inventory

Incentive Title:

Federal Empowerment Zone Section 179 Expensing

Incentive Type:

- ☐ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☒ Tax Incentive
- ☐ Workforce Development/Business Advocacy

Description:

A Qualified Business located within a Federal Empowerment Zone (map on p. 21) may qualify for an additional tax deduction of the full cost of qualifying property purchased within that year, under Section 179 of the Internal Revenue Code, up to a certain maximum levels.

Program Eligibility Criteria:

For the increased Section 179 deduction, a corporation, partnership, or sole proprietorship is an enterprise zone business if all the following statements are true for the tax year. Every trade or business of the corporation or partnership is the active conduct of a Qualified Business within an Empowerment Zone (This rule does not apply to a sole proprietorship).

- At least 50% of its total gross income is from the active conduct of a Qualified Business within a zone.
- A substantial part of the use of its tangible property is within a zone.
- A substantial part of its intangible property is used in the active conduct of the business.
- A substantial part of the employees' services are performed within a zone.
- At least 35% of the employees are residents of an empowerment zone. (This rule does not apply to businesses in the DC Zone.)
- Less than 5% of the average of the total unadjusted bases of the property owned by the business is from: 1) nonqualified financial property (generally, debt, stock, partnership interests, options, futures contracts, forward contracts, warrants, notional principal contracts, and annuities) or 2) collectibles not held primarily for sale to customers.

A Qualified Business is generally any trade or business except one that consists primarily of the development or holding of intangibles for sale or license. However, the rental to others of real property located in an empowerment zone is a Qualified Business only if the property is not residential rental property and at least 50% of the gross rental income from the property is from enterprise zone businesses. The rental to others of tangible personal property is a Qualified Business only if at least 50% of the rentals of the property are to enterprise zone businesses or zone residents.

Contact Information:

Internal Revenue Service: 1-800-829-1040

City of San Antonio

Development Incentive Toolkit Inventory

Incentive Title:

Brownfield Tax Incentive

Incentive Type:

- ☐ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☒ Tax Incentive
- ☐ Workforce Development/Business Advocacy

Description:

Allows property owners to deduct certain environmental remediation costs as a business expense rather than capitalizing them as a property improvement.

Eligibility Criteria:

To be eligible for the Brownfields Tax Incentive, properties must be:

- within a 1990 census tract with a poverty rate of 20 percent or more; or
- within a 1990 census tract with a population of less than 2,000, if—
 - (a) more than 75 percent of the tract is zoned for commercial or industrial use, and
 - (b) the tract is next to another census tract(s) with a poverty rate of 20 percent or more; or
- within any federally-designated Empowerment or Enterprise Zone; or
- within a U.S. Environmental Protection Agency (EPA) Brownfields Pilot project area announced before February 1, 1997.

Contact Information:

Internal Revenue Service, Income Tax and Accounting, Branch 5, (202) 622-4950.

City of San Antonio

Development Incentive Toolkit Inventory

Incentive Title:

Foreign Trade Zone (FTZ)

Incentive Type:

- ☐ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☒ Tax Incentive
- ☐ Workforce Development/Business Advocacy

Description:

San Antonio is home to Foreign Trade Zone (FTZ) No. 80 with the designation of ten General Purpose Sites and four SubZones. Businesses can locate at existing sites or apply for designation as a new FTZ SubZone to take advantage of the incentives offered within an FTZ to include: (1) relief from inverted tariffs; (2) duty exemption on re-exports; (3) duty elimination on waste, scrap, and yield loss; and (4) duty deferral until merchandise is imported from the FTZ into the United States. FTZs, therefore, offer businesses a way to mitigate the costs of free trade and allow the United States economy to enjoy relatively greater benefits from its free trade initiatives. Furthermore, FTZs allow commercial merchandise to receive the same customs treatment it would if it were outside the commerce of the United States.

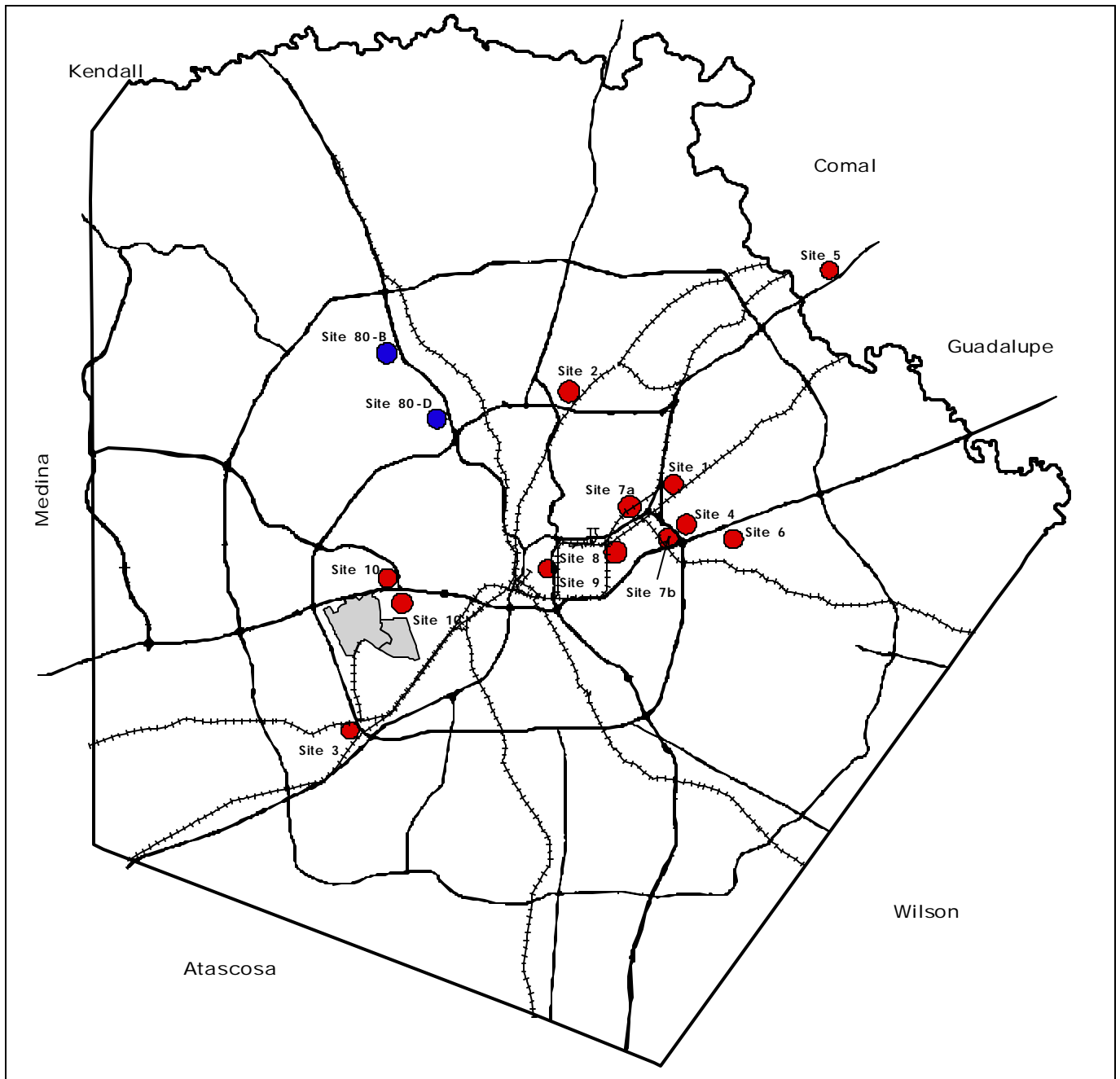
If your company is importing and/or exporting goods or materials, FTZs can significantly cut business costs and improve return-on-investment and cash flow. Domestic and foreign goods can be placed in the FTZ without formal U.S. Customs entry and pay no customs duties or government excise taxes until your final product enters the U.S. market at which point duty is paid on either of the product itself or its component parts, whichever is lower. Merchandise admitted into the FTZ can be stored, assembled, manufactured, salvaged, mixed, processed, manipulated, exhibited, repaired, sampled, relabeled, repackaged, tested or destroyed.

Eligibility Criteria:

To receive FTZ benefits, a company must locate within any of the City's existing ten General Purpose FTZ sites. If our General Purpose sites do not suit your company's needs, the Economic Development Department will help your facility obtain FTZ sub-zone designation.

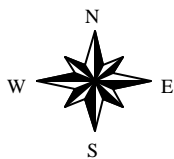
Contact Information:

City of San Antonio, Economic Development Department, (210) 207-8204.



Prepared by the City of San Antonio
Planning Department
Date 08/8/2001
Source: Economic Development Department

Foreign Trade Zone No. 80



SCALE: 1" = 25,000'



GENERAL PURPOSE SITES

- Site 1: San Antonio Distribution Center
- Site 2: San Antonio International Airport Cargo Facilities
- Site 3: Freeport Business Centre
- Site 4: Cornerstone Business & Industrial Park
- Site 5: Tri-County Business & Industrial Park
- Site 6: Foster Ridge Industrial Park
- Site 7a: Binz-Engleman Center
- Site 7b: City Park East Business Park
- Site 8: Coliseum Distribution Center
- Site 9: Convention Center & Alamodome
- Site 10: KellyUSA



SUBZONES

- Site 80-B: Colin Medical Instruments Corporation
- Site 80-D: R.G. Barry Corporation

City of San Antonio

Development Incentive Toolkit Inventory

Incentive Title:

State Enterprise Zone Project Designation

Incentive Type:

- ☐ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☒ Tax Incentive
- ☐ Workforce Development/Business Advocacy

Description:

State Enterprise Zone Project Designation tax incentives to new and expanding businesses in economically distressed areas. The City of San Antonio currently administers four State Enterprise Zones. Companies locating within any of those zones are eligible for designation by the State and City Council as an Enterprise Project. Designated Projects are eligible for State sales & use tax refunds and franchise tax credits based on job creation and capital investment.

Eligibility Criteria:

To qualify, expansion of an existing business must take place within an existing State Enterprise Zone (map on p. 23). Also, 25% of all new hires must be economically disadvantaged or residents of the zone. Project designation must be in place within 90 days of any purchases or new hires to receive benefits from this program. Enterprise Project designation must be approved by City Council and designated by the State of Texas. Federal Empowerment Zones also qualify as State Enterprise Zones.

Sales and Use Tax Refunds

Designated project may qualify for a sales and use tax refund based on \$5,000 per employee for each permanent job up to 250 jobs, created or retained during the five-year designation period. Each project is limited to a maximum refund of \$1.25 million or \$250,000 per year over the five-year period. On taxes paid for labor to remodel, rehabilitate, or construct a structure, purchase of building materials, machinery/equipment, electricity and natural gas purchased and consumed in the normal course of business in the enterprise zone. Refunds may also be made on tangible personal property and taxable services; however, refunds on these items may not be made until September 1, 2003.

Franchise Tax Credits

Designated project may qualify for a franchise tax credit equal to 25% of the total wages and salaries paid by the corporation for a minimum of 10 qualifying jobs during the period upon which the tax is based. The total credit may not exceed 50 percent of the amount of franchise tax due prior to any other applicable tax credits. Equal to 7.5 percent of the qualified capital investment (minimum \$500,000) during the period upon which the tax is based.

Contact Information:

City of San Antonio, Economic Development Department, (210) 207-8080.

City of San Antonio

Development Incentive Toolkit Inventory

Incentive Title:

Defense Economic Readjustment Zone Project Designation

Incentive Type:

- ☐ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☒ Tax Incentive
- ☐ Workforce Development/Business Advocacy

Description:

The City of San Antonio currently administers state-designated Defense Economic Readjustment Zones (map on p. 51). This program is a state initiative to assist communities that have been adversely impacted by Department of Defense downsizing. Companies expanding or locating within a Zone are eligible for designation by the State as a Defense Readjustment Project. Designated projects are eligible for State sales & use tax refunds and franchise tax credits based on job creation and capital investment.

Eligibility Criteria:

Expansion must take place within a Defense Economic Readjustment Zone. Twenty-five percent (25%) of all new hires must be San Antonio residents, economically disadvantaged individuals, or dislocated defense workers. Project designation must be in place within 90 days of any purchases or new hires to receive benefits. Defense Readjustment Project nomination must be approved by City Council and the State of Texas.

Sales and Use Tax Refunds:

Designated project may qualify for a sales and use tax refund based on \$2,500 per employee for each permanent job up to 500 jobs, created or retained during the five-year designation period. Each project is limited to a maximum refund of \$1.25 million or \$250,000 per year over the five-year period on taxes paid for labor to remodel, rehabilitate, or construct a structure, purchase of building materials, machinery/equipment, electricity and natural gas purchased and consumed in the normal course of business and taxable services in the Defense Economic Readjustment Zone.

Franchise Tax Credits:

Designated project may qualify for a franchise tax credit equal to 25% of the total wages and salaries paid by the corporation for a minimum of 10 qualifying jobs during the period upon which the tax is based. The total credit may not exceed 50 percent of the amount of franchise tax due prior to any other applicable tax credits. Also, a franchise tax credit equal to 7.5% of the qualified capital investment (minimum \$500,000) during the period upon which the tax is based. Receipts from services performed in a Readjustment Zone can also be excluded in the determination of gross receipts from business done in the state under Sections 171.103 and 171.1032 of the Texas Tax Code.

Contact Information:

City of San Antonio, Economic Development Department, (210) 207-8080.

Defense Zones

- San Antonio Defense Zone
- Kelly Defense Zone
- Kelly Defense Zone

The map displays the city of San Antonio with various streets and landmarks. The San Antonio River is shown flowing through the city. The Kelly Defense Zone is highlighted in pink, and the San Antonio Defense Zone is highlighted in blue. The map also shows the city center and surrounding areas.

City of San Antonio

Development Incentive Toolkit Inventory

Incentive Title:

Economic Development Briefing Team

Incentive Type:

- ☐ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☒ Workforce Development/Business Advocacy

Description:

The City of San Antonio together with various public service utility companies formed the San Antonio Site Development Briefing Team to provide an overview of the site development process. This team facilitates the process by servicing as the direct, immediate line to key decision-makers that can troubleshoot and resolve problems encountered in the development and permitting process, such as issues related to local subdivision, uniform building, and the uniform fire codes. The team describes the development process, identifies applicable codes and regulations, clarifies code requirements and may comment on conceptual plans or Master Development Plans. This courtesy briefing and conceptual plan review does not replace the Preliminary Plans Service process or the regular Subdivision and Construction processes.

Eligibility Criteria:

Available to businesses locating within the City of San Antonio. Briefings are tailored to the scope of the development, with participation from necessary City departments, public utilities and other applicable agencies.

Businesses requesting Briefing Team services will submit a Data for Briefing Team Evaluation form available at the First Point Business Information Office. A seven (7) day notice is requested.

Contact Information:

City of San Antonio, Economic Development Department, (210) 207-3900.

City of San Antonio

Development Incentive Toolkit Inventory

Incentive Title:

Historically Underutilized Business Zone (HUBZone)

Incentive Type:

- ☐ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☒ Workforce Development/Business Advocacy

Description:

The HUBZone Empowerment Contracting Program is designed to provide federal contracting assistance from the Small Business Administration (SBA) for qualified small business concerns that are located in “historically undertutilized zones”; increase employment opportunities; and stimulate capital investment and empower communities through economic leveraging.

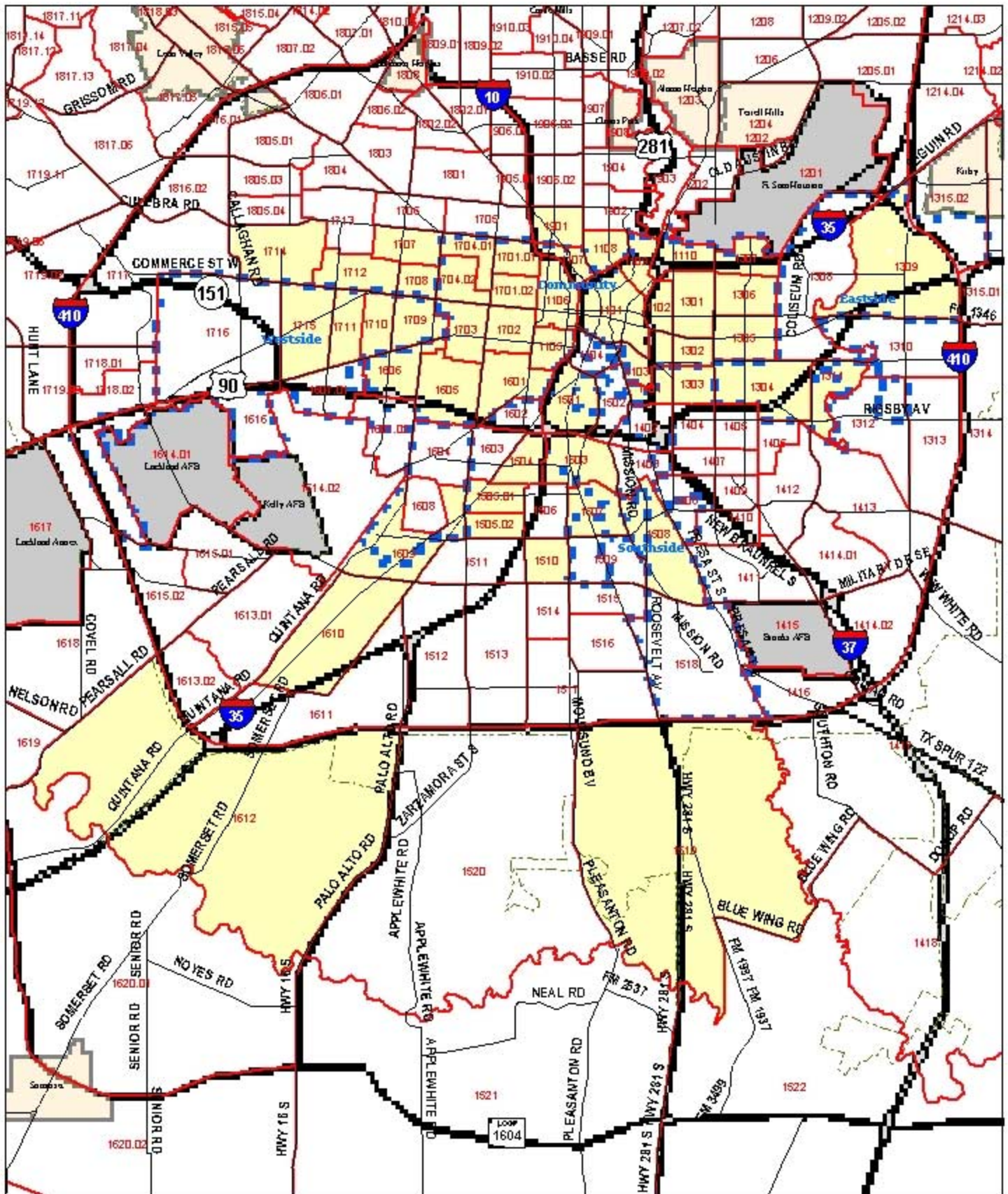
Eligibility Criteria:

To qualify, small business must be registered with the SBA, be owned and controlled by a U.S. citizen, located within an HUBZone, and at 35% of the business’ employees must reside within a HUBZone.

Contact Information:

City of San Antonio, Economic Development Department, (210) 207-3900.

HUBZONES



Legend

- San Antonio City Limit Line
- Hubzone Area
- Entrance Zone
- Case vs. Inact 2000
- Incorporated Cities
- Military Base



CITY OF SAN ANTONIO
DEPARTMENT OF PLANNING



City of San Antonio

Development Incentive Toolkit Inventory

Incentive Title:

Small Business Economic Development Advocacy Program (SBEDA)

Incentive Type:

- ☐ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☒ Workforce Development/Business Advocacy

Description:

The Small Business Economic Development Advocacy Program (SBEDA) is designed to provide assistance to small, minority, African-American, and women-owned business enterprises (SBE/MBE/AABE/WBE) in contracting with the City of San Antonio.

Eligibility Criteria:

The City may contract with a regional certification agency for certification services. However, if the City does not contract for such services, the following certification requirements shall apply:

- An eligible MBE/WBE/AABE under this program shall be an independent, operating business. The ownership and control by minorities or females shall be real and substantial, and shall be indicated by customary incidents of ownership as demonstrated by an examination of the substance, rather than the form, of ownership and operating arrangements.
- The minority or female owners must possess the power to direct or cause the direction of the management and policies of the firm and to make day-to-day decisions, as well as decisions on matters of management, policy and operations. The firm shall not be subject to any formal or informal restrictions which limit the customary discretion of the minority or female owners. There shall be no restrictions by partnership agreements, charter requirements or other arrangements which prevent the minority or female owners from making business decisions of the firm without the cooperation or vote of any owner who is not minority or female.
- The enterprise must be at least 51 percent (51%) owned by a minority person(s) or female (s).
- A business wishing to be certified as an MBE, WBE or AABE shall cooperate with the City in supplying additional information or agreeing to participate in a site visit of the enterprise which may be requested in order to make a determination. Failure or refusal to cooperate shall result in denial or repeal of certification.

Contact Information:

City of San Antonio, Economic Development Department, (210) 207-3900.

City of San Antonio

Development Incentive Toolkit Inventory

Incentive Title:

First Point Business Information Office

Incentive Type:

- ☐ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☒ Workforce Development/Business Advocacy

Description:

The First Point Business Information Office provides assistance with starting or expanding business in the City of San Antonio. Available services include: 1) guidance through the site development and regulatory process; 2) pre-business counseling; and 3) technical assistance with business and marketing plans.

Eligibility Criteria:

Any existing or potential business owner that would like to start or expand business in San Antonio.

Contact Information:

City of San Antonio, Economic Development Department, (210) 207-3900.

City of San Antonio

Development Incentive Toolkit Inventory

Incentive Title:

Procurement Technical Assistance Center (PTAC)

Incentive Type:

- ☐ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☒ Workforce Development/Business Advocacy

Description:

The Procurement Technical Assistance Center (PTAC) provides a variety of tools and services that assist local businesses identify government contracting opportunities, develop a workable business plan, and sharpen marketing skills and write winning bid proposals. PTAC clients receive about \$30 million in government contracts annually.

Eligibility Criteria:

Established businesses located within the 12-county Alamo Service Delivery Area and selective contiguous areas are eligible to participate in the program.

Contact Information:

City of San Antonio, Economic Development Department, (210) 207-3900.

City of San Antonio

Development Incentive Toolkit Inventory

Incentive Title:

Industry/Customized Workforce Training

Incentive Type:

- ☐ Fee Incentive
- ☐ Financing Incentive
- ☐ Regulatory Reduction or Exemption
- ☐ Tax Incentive
- ☒ Workforce Development/Business Advocacy

Description:

The City of San Antonio has partnered with the Alamo Community College District (ACCD) to offer a variety of vocational or customized workforce training programs for high school students or current employees as an incentive to businesses seeking relocation, retention or expansion of their operations within San Antonio.

Eligibility Criteria:

Grants are available based on investment and job creation.

Contact Information:

City of San Antonio, Economic Development Department, (210) 207-8204.